

### REMARKS

Claims 2-8, 10-16, and 18-24 remain pending in this patent application. Claims 1, 9, and 17 have been canceled without prejudice. Claims 2-7, 10-16, and 18-24 have been amended. Applicants believe that no new matter has been added. Applicants respectfully request further examination and reconsideration in view of the remarks set forth below.

### OBJECTION TO SPECIFICATION

The specification is objected to as failing to provide proper antecedent basis for the phrase “inverted bids” and the phrase “inverting the bid model,” as mentioned in Claims 4, 12, and 20.

Applicants have amended Claims 4, 12, and 20 to remove the objected to phrases, and respectfully submit that these amendments render the objection moot.

### DOUBLE PATENTING

This provisional double patenting rejection is noted by the Applicants, and a terminal disclaimer is included herewith under separate cover.

### CLAIM REJECTIONS

#### 35 U.S.C. §102 Rejections

Claims 1, 3, 5, 6, 9, 11, 13, 14, 17, 19, 21, and 22 are rejected under 35 U.S.C. §102(e), as being anticipated by the Seymour et al., U.S. Patent No. 6,871,190 (hereinafter Seymour). Applicants have reviewed the cited reference and respectfully submit that the embodiments of the present invention as recited in Claims 1, 3, 5, 6, 9, 11, 13, 14, 17, 19, 21, and 22 are neither shown nor suggested by the Seymour reference. These rejections are respectfully traversed for the following rationale.

The Examiner is respectfully directed to independent Claim 6, which, as amended, recites that an embodiment of the present invention is directed to a method for determining a reserve price for a market, comprising:

- selecting characteristics of said market;
- selecting a relevant bidding model;
- estimating a structure of said market;
- predicting a bidding behavior;
- predicting a first outcome of said market; wherein said predicting a first outcome comprises the steps of:
  - receiving a second user input, wherein said second user input comprises:
    - an evaluation criterion;
    - a candidate reserve price; and
    - a constraint;
  - receiving said estimated structure;
  - receiving said bidding behavior prediction for said candidate reserve price, wherein said bidding behavior prediction further comprises a prediction under said constraint;
  - obtaining a value of said evaluation criterion, wherein said value is based on said estimated structure, said bidding behavior prediction, said candidate reserve price, and said constraint, said value comprising said first predicted outcome; and
  - outputting said value; and
  - evaluating said first outcome of said market.

Claims 3 and 5 depend from Claim 6 and recite further limitations to the present invention. Independent Claims 14 and 22, as amended, recite similar limitations to those of Claim 6, and are rejected with the same rationale. Claims 11 and 13 depend from Claim 14 and recite further limitations to the present invention. Claims 21 and 19 depend from Claim 22 and recite further limitations to the present invention. Claims 1, 9, and 17 have been canceled, and therefore rejections to these claims are moot.

The Applicants submit that the Seymour reference does not teach every limitation of the present invention as recited in Claim 6, and therefore Claim 6 is not anticipated by the Seymour reference. In particular, the Seymour reference does not teach “predicting a first outcome of said market; wherein said predicting a first outcome comprises the steps of ...obtaining a value of said evaluation criterion, wherein said value is based on said estimated structure, said bidding behavior prediction, said candidate

reserve price, and said constraint, said value comprising said first predicted outcome; and outputting said value,” as is recited in Claim 6. The rejection contends that the Seymour reference teaches these limitations in col. 6, lines 56-59. However, Applicants respectfully submit that selecting and displaying an optimum reserve price and an optimum starting price (See col. 6, lines 56-59 of the Seymour reference) are not the same as predicting a first outcome of said market and outputting a value comprising said predicted outcome, as recited in Claim 6. Furthermore, while the Seymour reference has some limited discussion of the simulation of an auction environment through a set of fuzzy logic rules and genetic algorithms (see, e.g., col. 4, lines 47-67 - col. 5, line 6), Applicants submit that the Seymour reference does not teach “predicting a first outcome of said market”, wherein a predicted outcome value “is based on said estimated structure, said bidding behavior prediction, said candidate reserve price, and said constraint”, and “outputting said value”, as recited in Claim 6. Instead, Applicants contend that a prediction of a first outcome of said market, as recited in Claim 6, is very different than a fuzzy logic or genetic simulation, as described in col. 4, lines 47-67 of Seymour. Consequently, the Seymour reference does anticipate the embodiment of the Applicants’ invention as recited in Claim 6, and as similarly recited in independent Claims 14 and 22.

Therefore, it is respectfully submitted that independent Claims 6, 14, and 22 are patentable over the Seymour reference and are in condition for allowance. Claims 3 and 5 are dependent on allowable independent Claim 6, Claims 11 and 13 are dependent on allowable independent Claim 14, and Claims 19 and 21 are dependent on allowable independent Claim 22. Hence, it is respectfully submitted that dependent Claims 3, 5, 11, 13, 19, and 21 are patentable over the Seymour reference for the reasons discussed above and by virtue of their dependence upon allowable independent Claims.

### 35 U.S.C. §103 Rejections

#### Claims 2, 10, and 18

Claims 2, 10, and 18 are rejected under 35 U.S.C. §103(a), as being unpatentable over the Seymour reference in view of Rackson et al., U.S. Patent No 6,415,270 (hereinafter Rackson).

Applicants respectfully submit that Seymour and Rackson, alone or in combination, fail to teach the subject matter recited in Claims 2, 10, and 18. These rejections are respectfully traversed for the following rationale.

The Examiner is respectfully directed to independent Claim 6 (shown above), which recites that an embodiment of the present invention is directed to a method for determining a reserve price for a market comprising: “predicting a first outcome of said market; wherein said predicting a first outcome comprises the steps of ...obtaining a value of said evaluation criterion, wherein said value is based on said estimated structure, said bidding behavior prediction, said candidate reserve price, and said constraint, said value comprising said first predicted outcome; and outputting said value,” Independent Claims 14 and 22 contain similar limitations. Claim 2 depends from allowable independent Claim 6 (discussed above), and recites further limitations to the present invention. Claim 10 depends from allowable independent Claim 14 (discussed above), and recites further limitations to the present invention. Claim 18 depends from allowable independent Claim 22 (discussed above), and recites further limitations to the present invention.

Per the previous discussion of Claim 6 (and similarly Claims 14 and 22), Applicants respectfully submit that the above cited limitations recited in Claim 6 are not taught, suggested, or motivated by the Seymour reference. As previously indicated, though fuzzy logic and genetic auction simulation methods are described in Seymour, there is no indication or suggestion that an outcome of a market is ever predicted and output, rather, the only simulation outputs disclosed or suggested are maximum and minimum bid recommendations (see col 6, lines 19-30 of Seymour) and values for reserve bid price and starting bid price (see col 6, lines 56-67). Applicants contend that such recommendations are market inputs rather than market outcomes. Further, Applicants contend that the Seymour reference is silent with respect to predicting and outputting a market outcome, as recited in Claim 6.

Moreover, after review of the Rackson reference, Applicants respectfully assert that Rackson does not cure the deficiencies noted above with regard to Seymour. While the Rackson reference may disclose presentation of historical bidding results on a similar item (see e.g., col. 24, lines 39-56 of Rackson) no prediction of a market outcome or output of the prediction is involved, taught, or suggested by such a presentation of pre-existing historical data. Thus, Applicants respectfully submit that the Rackson reference suffers the same short coming as the Seymour reference in that neither reference teaches or suggests, “predicting a first outcome of said market; wherein said predicting a first outcome comprises the steps of ...obtaining a value of said evaluation criterion, wherein said value is based on said estimated structure, said bidding behavior prediction, said candidate reserve price, and said constraint, said value comprising said first predicted outcome; and outputting said value”, as recited in Claim 6 (and similarly in Claims 14 and 22). Consequently, Applicants submit that Claims 6, 14, and 22 are neither anticipated nor rendered obvious by the Seymour reference in view of the Rackson reference.

Therefore, it is respectfully submitted that independent Claims 6, 14, and 22 are patentable over the combination of the Seymour reference and the Rackson reference, and are in condition for allowance. Claim 2 is dependent on allowable independent Claim 6, Claim 10 is dependent on allowable independent Claim 14, and Claim 18 is dependent on allowable independent Claim 22. Hence, it is respectfully submitted that dependent Claims 2, 10, and 18 are patentable over the combination of the Seymour reference and the Rackson reference by virtue of their dependence on allowable independent Claims 6, 14, and 22, and are therefore in condition for allowance.

#### Claims 4, 7, 12, 15, 20, and 23

Claims 4, 7, 12, 15, 20, and 23 are rejected under 35 U.S.C. §103(a), as being unpatentable over the Seymour reference in view of one of ordinary skill in the art of the fields of mathematics, economics, and statistics. Applicants respectfully submit that Seymour and one of

ordinary skill in the art of the fields of mathematics, economics, and statistics, alone or in combination, fail to teach or suggest the subject matter recited in Claims 4, 7, 12, 15, 20, and 23. These rejections are respectfully traversed for the following rationale.

The Examiner is respectfully directed to the arguments (shown above) regarding the Seymour reference and independent Claims 6, 14, and 22.

Per the previous discussion of Claim 6 (and similarly Claims 14 and 22), Applicants respectfully submit that the above cited limitations recited in Claim 6 are not taught, suggested, or motivated by the Seymour reference. Moreover, Applicants contend that one skilled in the arts of mathematics, statistics, and economics would not have been motivated by the teachings of Seymour to produce the embodiment of the present invention as recited in Claim 6 (and similarly in Claims 14 and 22). Further, Applicants respectfully request that the Examiner provide an affidavit or citation which supports such contention of obviousness based on ordinary skill in the fields of mathematics, economics and statistics, if such a rejection is to be made or maintained in a future office action. Consequently, Applicants submit that Claims 6, 14, and 22 are neither anticipated nor rendered obvious by the Seymour reference in view of one of ordinary skill in the fields of mathematics, economics, and statistics.

Therefore, it is respectfully submitted that independent Claims 6, 14, and 22 are patentable over the combination of the Seymour reference and one of ordinary skill in the fields of mathematics, economics, and statistics, and are in condition for allowance. Claims 4 and 7 are dependent on allowable independent Claim 6, Claims 12 and 15 are dependent on allowable independent Claim 14, and Claims 20 and 23 are dependent on allowable independent Claim 22. Hence, it is respectfully submitted that dependent Claims 4, 7, 12, 15, 20, and 23 are patentable over the combination of the Seymour reference and one of ordinary skill in the fields of

mathematics, economics, and statistics, by virtue of their dependence on allowable independent Claims 6, 14, and 22, and are therefore in condition for allowance.

#### Claims 8, 16, and 24

Claims 8, 16, and 24 are rejected under 35 U.S.C. §103(a), as being unpatentable over the Seymour reference. As no other rational for rejection is given, it appears to the Applicants that the rejection of these claims is more suited to the grounds of a 35 U.S.C 102 rejection. However, Applicants respectfully submit that the Seymour reference fails to teach or suggest the subject matter recited in Claims 8, 16, and 24. These rejections are respectfully traversed for the following rationale.

The Examiner is respectfully directed to the arguments related to independent Claims 6, 14, and 22 (shown above), which contend that these independent Claims are neither taught nor suggested by the Seymour reference, and are therefore in condition for allowance. Claim 8 depends from allowable independent Claim 6, Claim 16 depends from allowable independent Claim 14, and Claim 24 depends from allowable independent Claim 22. Hence, it is respectfully submitted that dependent Claims 8, 16, and 24 are patentable over Seymour by virtue of their dependence on allowable independent Claims 6, 14, and 22, and are therefore in condition for allowance.


#### SUMMARY

In view of the foregoing amendments and remarks, the Applicants respectfully submit that the pending claims in the instant patent application are in condition for allowance. The Applicants respectfully request reconsideration of the Application and allowance of the pending claims.

If the Examiner determines the prompt allowance of these claims could be facilitated by a telephone conference, the Examiner is invited to contact the Applicants' designated representative at the below listed phone number.

Respectfully submitted,  
WAGNER, MURABITO & HAO LLP

Dated: 1/5/, 2006

  
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